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## Federal News Radio

The Veterans Affairs Department estimates it has avoided paying \$54 million dollars on the 45 major technology projects it stopped in July.

Roger Baker, the assistant secretary for information and technology and chief information officer, told the House Veterans Affairs Committee Tuesday that <a href="Program Management">Program Management</a> Accountability System

(PMAS) tool is part of the changes the agency is making to how it manages and uses its \$3.3 billion technology budget.

"We restarted 17 immediately, re-planned and eventually restarted 15 and we terminated 12," he says. "For 2010, we will use the \$54 million to fund other higher priority projects that create more value for veterans. Today we will announce that effective Feb. 15 all VA IT projects will be placed under PMAS. As we fully implement PMAS for all our projects, I expect further savings."

The committee did not ask Baker - and he didn't offer any details- about the 12 projects that VA terminated. Baker and federal CIO Vivek Kundra are expected to provide information on the programs VA ended Wednesday morning during a press conference.

"Better accountability and focus on results lead to better services for our Veterans and better value for the American taxpayer," says Kundra in a release. "Investing in what works is about continuing projects that are effective and making tough choices when projects, however well intentioned, are broken and failing."

The only project Baker mentioned specifically was VA's troubled <u>Financial and Logistics</u> <u>Integrated Technology Enterprise</u>

(FLITE) system. FLITE was not one of the 45 suspended projects.

"We need a new financial management system at the VA, but we have a problematic process and project to get there," he says. "We have delayed further large expenditures on the integrated financial system part of FLITE because we have not delivered on the asset

management part of FLITE. I want to credit deputy secretary [Scott] Gould on this for making the hard decision to decide to take the hard path. We are going to prove we can succeed or fail on the small project before we get to the big project."

In their <u>business</u> case for 2010, VA got \$48 million for FLITE in 2009 and requested \$90 million in 2010. The 2011 business cases are not available yet.

At hearing, Baker says improving VA's technology is critical to transforming the agency.

"We must effectively leverage the power of IT," Baker says. "IT is absolutely integral to everything we do at the department, and it is imperative VA has a strong IT organization--one capable of creating and operating the new technologies required."

Committee members spent little time asking about PMAS, but were more interested in cybersecurity and veterans benefits management programs.

Rep. Stephen Buyer (R-Ind.), ranking member of the committee, asked Baker if doctors, nurses or other VA personnel can connect to the VA network with personal devices.

Rep. Harry Mitchell (D-Ariz.) wanted continued assurances that VA would not repeat the 2006 incident where an agency employee lost a laptop containing 26 million records of veterans.

And Rep. Brian Billbray (R-Calif.) asked how many devices connected to the network were not encrypted.

Baker says all VA-procured and owned laptops and mobile devices are encrypted. He says he can't fully guarantee that VA personnel can't connect to the network with personal devices, but plans to be able to do that by the end of 2010.

"Anything mobile has to be encrypted-the policy is clear, the training is clear and some level of electronic enforcement is clear," Baker says. "But I can't call our network operating center and ask for assurance that no one has brought an unencrypted device on our network in the last 24 hours. We will be able to look 100 percent across the enterprise and make positive assertion to you. The aperture has been closing since 2006. We are not at the point where we are completely closed, but it is very difficult to bring in non-encrypted devices and get connectivity."

Along with IT budget, committee members wanted to know if the VA's inspector general's 2011 budget request was sufficient.

VA requested about \$111 million for the IG's office, but that was about \$11 million below what officials say they need.

"There is an increased demand on the IG for inspections and audits and we must ensure the IG is properly resourced and staffed to perform the critical role as the watchdog of VA," Mitchell says.

VA's IG would receive about \$367,000 over 2010 levels, and most of that would go to training through the <u>Council of the Inspectors General on Integrity and Efficiency</u>, says Richard Griffin, VA's deputy IG.

Mitchell and other committee members say the IG needs a larger budget because the return on investment is high.

"For every \$1 the IG spends, VA receives \$38 back," Mitchell says.

Congressman David Roe (R-Tenn.) adds that out of VA's \$125 billion budget, the IG's budget accounts for 1/10th of 1 percent, but was able to find \$2.9 billion in waste, fraud and abuse.

So to that end, Buyer is proposing to increase the IG's budget by \$50 million in 2011.

Griffin says with the extra funding his office could hire 44 more auditors and investigators, including 20 who would work on health care issues, six to oversee technology projects and 18 to conduct proactive investigations.

"We would try to shrink the review cycle for outpatient clinics as well as try to shrink the regional office cycle," he says. "We could staff up our criminal investigative unit, our audit personnel and look at other issues such as homeless and elderly care, and we could look at non-VA care."

Griffin adds that the IG's criminal investigators returned \$1.6 million last year.

Buyer promised to work with the Democrats to increase the IG's budget for 2011.

"Any plus up headed your way, I would ask to be more on front end to bringing those affiances and economies of scale and being proactive rather than being reactive, Buyer says.